

# Title Agency Monthly Report

For the month of April, 2014

## New License

Agy_ID	Name	Issue Date	Expiration Date	Lapse Date	Reactivation Date	Qualification
174942	TRAVERSE TITLE INSURANCE AGENCY LLC	4/14/2014	4/30/2016			TS
174986	COMMERCIAL & RESIDENTIAL TITLE INSURA	4/14/2014	4/30/2016			TE
174942	TRAVERSE TITLE INSURANCE AGENCY LLC	4/14/2014	4/30/2016			TE
174942	TRAVERSE TITLE INSURANCE AGENCY LLC	4/14/2014	4/30/2016			TMR
174986	COMMERCIAL & RESIDENTIAL TITLE INSURA	4/14/2014	4/30/2016			TS

## License Renewal

Agy_ID	Name	Issue Date	Expiration Date	Lapse Date	Reactivation Date	Qualification
157856	HERITAGE WEST TITLE INSURANCE AGENC	4/9/2008	4/30/2016			TE
157856	HERITAGE WEST TITLE INSURANCE AGENC	4/9/2008	4/30/2016			TS
6565	PROFESSIONAL TITLE SERVICES	5/16/2002	4/30/2016			TE
7760	SUN WEST TITLE INSURANCE AGENCY, INC	5/16/2002	4/30/2016			TS
157855	HERITAGE TITLE INSURANCE AGENCY, INC.	4/9/2008	4/30/2016			TE
163424	GATEWAY TITLE INSURANCE AGENCY, LLC	4/27/2010	4/30/2016			TS
163424	GATEWAY TITLE INSURANCE AGENCY, LLC	4/27/2010	4/30/2016			TE
11265	AFFILIATED FIRST TITLE INSURANCE AGENC	5/16/2002	4/30/2016			TS
157855	HERITAGE TITLE INSURANCE AGENCY, INC.	4/9/2008	4/30/2016			TS
6565	PROFESSIONAL TITLE SERVICES	5/16/2002	4/30/2016			TS
7760	SUN WEST TITLE INSURANCE AGENCY, INC	5/16/2002	4/30/2016			TE
6417	WESTERN STATES TITLE CO OF DAVIS COU	5/16/2002	4/30/2016			TS
6417	WESTERN STATES TITLE CO OF DAVIS COU	5/16/2002	4/30/2016			TE
6637	UTAH TITLE AND ABSTRACT CO OF CENTRA	5/16/2002	4/30/2016			TS
6637	UTAH TITLE AND ABSTRACT CO OF CENTRA	5/16/2002	4/30/2016			TE

Tuesday, May 06, 2014

# Title Agency Monthly Report

For the month of April, 2014

## License Renewal

Agy_ID	Name	Issue Date	Expiration Date	Lapse Date	Reactivation Date	Qualification
11265	AFFILIATED FIRST TITLE INSURANCE AGENCY	5/16/2002	4/30/2016			TE

## Late License Renewal

Agy_ID	Name	Issue Date	Expiration Date	Lapse Date	Reactivation Date	Qualification
6966	PARK CITY TITLE COMPANY	5/16/2002	3/31/2016			TS
6272	SOUTH EASTERN UTAH TITLE COMPANY	5/16/2002	3/31/2016			TS
6272	SOUTH EASTERN UTAH TITLE COMPANY	5/16/2002	3/31/2016			TE
6966	PARK CITY TITLE COMPANY	5/16/2002	3/31/2016			TE

## Lapse Licenses

Agy_ID	Name	Issue Date	Expiration Date	Lapse Date	Reactivation Date	Qualification
168396	WILLIAMS TITLE GUARANTY AND ESCROW A	2/8/2012	2/28/2014	3/31/2014		TS
168396	WILLIAMS TITLE GUARANTY AND ESCROW A	2/8/2012	2/28/2014	3/31/2014		TE

## Reinstated License

Agy_ID	Name	Issue Date	Expiration Date	Lapse Date	Reactivation Date	Qualification
6966	PARK CITY TITLE COMPANY	5/16/2002	3/31/2016	4/30/2014	4/10/2014	TS
6966	PARK CITY TITLE COMPANY	5/16/2002	3/31/2016	4/30/2014	4/10/2014	TE
6272	SOUTH EASTERN UTAH TITLE COMPANY	5/16/2002	3/31/2016	4/30/2014	4/11/2014	TS
6272	SOUTH EASTERN UTAH TITLE COMPANY	5/16/2002	3/31/2016	4/30/2014	4/11/2014	TE

# Title Individual Monthly Report

For the month of April, 2014

## New License

Indv ID	Name	Issue Date	Expiration Date	Lapse Date	Reactivation Date	Qualification
1565484	NICKOLAS DART	04-22-2014	02-28-2017			TE
1563960	KAMI JO CLARKE	04-14-2014	03-31-2017			TS
1564745	STEFFANY LLOYD	04-07-2014	09-30-2016			TMR
1563295	ANGELA DOREEN PERKINS	04-30-2014	08-31-2016			TE
1561560	NICOLE ANN THOMAS	04-15-2014	06-30-2016			TMR
1562429	KAREN LIN WILSON	04-30-2014	10-31-2016			TE
1565484	NICKOLAS DART	04-22-2014	02-28-2017			TS

## License Renewal

Indv ID	Name	Issue Date	Expiration Date	Lapse Date	Reactivation Date	Qualification
39315	STERLING T CRANDALL	05-16-2002	04-30-2016			TS
137008	GREGORY T ATKINS	11-21-2006	04-30-2016			TS
45559	DOUGLAS R BACK	05-16-2002	04-30-2016			TE
45559	DOUGLAS R BACK	05-16-2002	04-30-2016			TS
1451806	DARRELL ADAM BACK	06-20-2011	04-30-2016			TE
27406	TAMARA S MORTON	05-16-2002	04-30-2016			TS
36241	J Spencer Ball	05-16-2002	04-30-2016			TS
39180	ALLAN M BOLDT	05-16-2002	04-30-2016			TE
39180	ALLAN M BOLDT	05-16-2002	04-30-2016			TS

Tuesday, May 06, 2014

# Title Individual Monthly Report

For the month of April, 2014

## License Renewal

Indv ID	Name	Issue Date	Expiration Date	Lapse Date	Reactivation Date	Qualification
14520	RON E BROWN	05-16-2002	04-30-2016			TS
35739	RANDALL L CHILDS	05-16-2002	04-30-2016			TE
35739	RANDALL L CHILDS	05-16-2002	04-30-2016			TS
100088	TROY C CHRISTENSEN	03-22-2004	04-30-2016			TS
137793	MAILE PUA O' KINA CHU	04-04-2008	04-30-2016			TE
99273	LESLIE IVERS CLARK	03-08-2004	04-30-2016			TE
99273	LESLIE IVERS CLARK	03-08-2004	04-30-2016			TE
46306	Brian A Coleman	05-16-2002	04-30-2016			TMR
50663	TIMOTHY G KERR	05-16-2002	04-30-2016			TE
5229	CATHERINE M DALYAI	05-16-2002	04-30-2016			TS
46306	Brian A Coleman	05-16-2002	04-30-2016			TE
45210	RANDALL N DAY	05-16-2002	04-30-2016			TS
45210	RANDALL N DAY	05-16-2002	04-30-2016			TE
31256	KATHRYN S ELLIOTT	05-16-2002	04-30-2016			TS
46297	BECKY GOURLEY	05-16-2002	04-30-2016			TE
46297	BECKY GOURLEY	05-16-2002	04-30-2016			TE
125827	LAWRIE H GREENE	03-06-2006	04-30-2016			TS
32387	TIMOTHY C GRUBB	05-16-2002	04-30-2016			TE
32387	TIMOTHY C GRUBB	05-16-2002	04-30-2016			TE
31728	KRISTY GUNNELL	05-16-2002	04-30-2016			TS
						TMR

# Title Individual Monthly Report

For the month of April, 2014

## License Renewal

Indv ID	Name	Issue Date	Expiration Date	Lapse Date	Reactivation Date	Qualification
36274	MICHAEL L HENDRY	05-16-2002	04-30-2016			TE
98582	JUSTIN LEE BAXTER	03-05-2004	04-30-2016			TS
40279	MARK G JARVIS	05-16-2002	04-30-2016			TE
36274	MICHAEL L HENDRY	05-16-2002	04-30-2016			TS
44483	CAMILLE KEYS	05-16-2002	04-30-2016			TS
116851	RANDY D KIDMAN	08-08-2005	04-30-2016			TE
92780	DEANNA L KINSEY	08-01-2003	04-30-2016			TE
39274	TAWANNEE A KOLB	05-16-2002	04-30-2016			TE
39274	TAWANNEE A KOLB	05-16-2002	04-30-2016			TS
125874	KILEY M KRAMER	03-03-2006	04-30-2016			TE
37314	LAURA L LEE	05-16-2002	04-30-2016			TE
44810	TAMRA LEE	05-16-2002	04-30-2016			TE
138429	CHRISTIE LYN MACDONALD-RICE	03-31-2008	04-30-2016			TE
36241	J Spencer Ball	05-16-2002	04-30-2016			TE
50273	ANNETTE MILLER	05-16-2002	04-30-2016			TE
1369567	TODD L. WILKERSON	01-26-2009	04-30-2016			TE
39513	Russell J. Nance	05-16-2002	04-30-2016			TMR
33393	KEVIN S PARKE	05-16-2002	04-30-2016			TE
1350604	Radona LaRee Phillips	02-15-2008	04-30-2016			TE
75663	SHAWN K PICKETT	05-16-2002	04-30-2016			TE

# Title Individual Monthly Report

For the month of April, 2014

## License Renewal

Indv ID	Name	Issue Date	Expiration Date	Lapse Date	Reactivation Date	Qualification
75663	SHAWN K PICKETT	05-16-2002	04-30-2016			TS
39436	KELLY J RASMUSSEN	05-16-2002	04-30-2016			TE
39436	KELLY J RASMUSSEN	05-16-2002	04-30-2016			TMR
23900	SCOTT W RICHARDS	05-16-2002	04-30-2016			TE
145054	J. RANDALL RICHARDS	06-28-2007	04-30-2016			TE
39513	Russell J. Nance	05-16-2002	04-30-2016			TE
92097	CHELSEY DAWN ROSANDER	07-10-2003	04-30-2016			TE
92097	CHELSEY DAWN ROSANDER	07-10-2003	04-30-2016			TE
118006	LINCOLN C SCOFFIELD	09-07-2005	04-30-2016			TS
118006	LINCOLN C SCOFFIELD	09-07-2005	04-30-2016			TE
16251	WILLIAM W SHELTON	05-16-2002	04-30-2016			TS
32653	JONI E SIMMONS	05-16-2002	04-30-2016			TS
100940	JACKIE L SNEYD	04-16-2004	04-30-2016			TE
149518	PAUL M SPERRY	07-31-2007	04-30-2016			TE
149518	PAUL M SPERRY	07-31-2007	04-30-2016			TE
37741	BRAD K STAPLEY	05-16-2002	04-30-2016			TS
45845	RONALD KEITH THOMPSON	05-16-2002	04-30-2016			TS
1357273	CAMILLA D. TRILLO	03-17-2008	04-30-2016			TS
1369567	TODD L. WILKERSON	01-26-2009	04-30-2016			TE
116947	LACY KAY WEBB	08-10-2005	04-30-2016			TS
						TMR

# Title Individual Monthly Report

For the month of April, 2014

## License Renewal

Indv ID	Name	Issue Date	Expiration Date	Lapse Date	Reactivation Date	Qualification
92447	JUDD RYAN WILLIAMS	07-22-2003	04-30-2016			TE
42605	CLINT B WILSON	05-16-2002	04-30-2016			TE
42605	CLINT B WILSON	05-16-2002	04-30-2016			TS
121970	WENDY A MEDLEY	11-30-2005	04-30-2016			TE
145054	J. RANDALL RICHARDS	06-28-2007	04-30-2016			TS

## Late License Renewal

Indv ID	Name	Issue Date	Expiration Date	Lapse Date	Reactivation Date	Qualification
1393413	LAMARR JEFFREY POULTON	05-28-2009	04-30-2016			TE
1393413	LAMARR JEFFREY POULTON	05-28-2009	04-30-2016			TS

## Lapse Licenses

Indv ID	Name	Issue Date	Expiration Date	Lapse Date	Reactivation Date	Qualification
105398	TODD M HUBBS	09-07-2004	03-31-2014	4/30/2014		TMR
136895	NATHANIEL A TAGGART	11-16-2006	03-31-2014	4/30/2014		TS
33917	CONNIE DYE	05-16-2002	03-31-2014	4/30/2014		TE
33917	CONNIE DYE	05-16-2002	03-31-2014	4/30/2014		TS
116886	JEFFREY CHRISTOPHER SIMMONS	08-08-2005	03-31-2014	4/30/2014		TMR
44401	MARSHA KELLER	05-16-2002	03-31-2014	4/30/2014		TE

Tuesday, May 06, 2014

# Title Individual Monthly Report

For the month of April, 2014

## Lapse Licenses

Indv ID	Name	Issue Date	Expiration Date	Lapse Date	Reactivation Date	Qualification
113914	MARCI C ASHBY	06-20-2005	03-31-2014	4/30/2014		TE
144552	SHERRIE L. SWENSEN	06-07-2007	03-31-2014	4/30/2014		TE
1397739	ANNE MARIE PIERCE	01-11-2010	03-31-2014	4/30/2014		TE
1404752	JEREMY S BROWN	01-05-2010	03-31-2014	4/30/2014		TMR
39163	CANDICE MICHELE CARROLL	05-16-2002	03-31-2014	4/30/2014		TE

## Reinstated License

Indv ID	Name	Issue Date	Expiration Date	Lapse Date	Reactivation Date	Qualification
138058	CONNIE HARMON	02-02-2007	04-30-2015	5/30/2013	4/22/2014	TE
40076	DACEI H HOGGAN	05-16-2002	03-31-2016	4/30/2014	4/11/2014	TS
40076	DACEI H HOGGAN	05-16-2002	03-31-2016	4/30/2014	4/11/2014	TE
92417	KRISTY L CARRILLO	07-21-2003	02-29-2016	3/30/2014	4/16/2014	TE
49079	Susan W. Johnson	10-08-2003	03-31-2016	4/30/2014	4/7/2014	TE
44516	BRADLEY J DOPP	05-16-2002	10-31-2016	12/30/2005	4/22/2014	TMR
86862	COREY W SNOW	08-04-2003	03-31-2016	4/30/2014	4/7/2014	TS
34249	STACEY LINN SWITA	06-26-2003	01-31-2017	3/2/2010	4/7/2014	TMR



GARY JOSEPHSON #5299  
Assistant Attorney General  
SEAN D. REYES #7969  
Attorney General  
Attorneys for Utah Insurance Department  
160 East 300 South, Fifth Floor  
P.O. Box 140874  
Salt Lake City, UT 84114-0874  
Telephone (801) 366-0375  
Email: gjosephson@utah.gov

---

BEFORE THE INSURANCE COMMISSIONER  
OF THE STATE OF UTAH

---

<p>UTAH INSURANCE DEPARTMENT,  Complainant,  vs.  FIRST AMERICAN TITLE INSURANCE COMPANY, Company ID 340, 1 First American Way, Santa Ana, Cal. 920707-5913  Respondent.</p>	<p>STIPULATION AND ORDER</p> <p>Docket No. <u>2014-043-PC</u></p> <p>Enforcement Case No. <u>3375</u></p> <p>Mark E. Kleinfeld Administrative Law Judge</p>
--	---

---

STIPULATION

The Utah Insurance Department ("Department"), by and through its legal counsel, and First American Title Insurance Company ("Respondent"), hereby stipulate and agree as follows:

1. Respondent First American Title Insurance Company is an active foreign title insurance company authorized to do business in the state of Utah under Company ID 340. Respondent's address is 1 First American Way, Santa Ana, California 92707-5913.
2. The Department has jurisdiction over the parties and the subject matter of this

administrative action.

3. Respondent acknowledges notice of agency action pursuant to Utah Code § 63G-4-210; acknowledges that this Stipulation and Order is part of an informal proceeding pursuant to Utah Code § 63G-4-202; and irrevocably waives the right to any hearing, review or appeal concerning this matter.

4. Respondent has the right to be represented by legal counsel and waives this right by either having sought the advice of legal counsel or by having voluntarily chosen not to do so.

5. Upon approval and signing by the parties, this signed Stipulation, along with the signed Findings of Fact, Conclusions of Law and Order, shall not be subject to any reconsideration, renegotiation, modification, hearing or agency review or appeal.

6. The Findings of Fact, Conclusions of Law and proposed Order presented below are accepted by the parties. Respondent's acceptance is not an admission of liability.

7. The issuance of the proposed Order below is for the sole purpose of disposing of the specific matters addressed in the Findings of Fact and Conclusions of Law regarding the activities of the Respondent, its subsidiaries and operating divisions in the State of Utah occurring prior to the full approval and signing of the proposed Order.

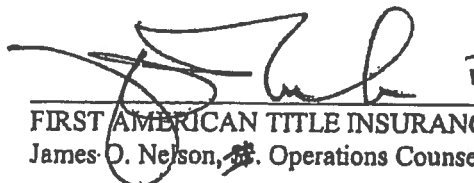
8. The only promises, agreements and understandings that the parties have regarding this matter are contained in this Stipulation.

9. Respondent, enters into this Stipulation voluntarily, knowingly, and free from any coercion of any kind.

10. The persons signing this Stipulation on behalf of the named parties hereby affirm that they are authorized to sign and bind the parties.

11. If the proposed Order is not approved and signed by both the Administrative Law Judge and the Title and Escrow Commission, this Stipulation will be considered void and of no effect.

Dated this 13<sup>th</sup> day of April, 2014.

  
FIRST AMERICAN TITLE INSURANCE COMPANY  
James O. Nelson, Sr. Operations Counsel

Dated this 14<sup>th</sup> day of April, 2014.

  
UTAH INSURANCE DEPARTMENT  
Gary D. Josephson  
Assistant Attorney General

Based upon the foregoing Stipulation and Department file, the Presiding Officer makes the following Findings of Fact:

**FINDINGS OF FACT**

1. The Department received a complaint alleging that unlicensed title insurance business was being conducted by First American Title Insurance Company ("FATICO").
2. An investigation commenced and through the course of the investigation it was determined that FATICO, through its division, First American Mortgage Services ("FAMS"), issued 19 title insurance policies direct to Utah Consumers during the time period January 2009

through December 2010 without using any of FATICO's resident agents or by any of FATICO's direct operation offices in Utah. It was also determined that FATICO conducted escrow closings in conjunction with these 19 policies without having filed a schedule of escrow charges with the Department.

3. Following multiple emails and a June 27, 2013 face-to-face meeting to clarify the Department's position, a recommendation for enforcement letter dated September 6, 2013 was sent to Respondent;. Respondent requested additional time and a meeting with the State Insurance Commissioner. On October 30, 2013, a meeting occurred; wherein, Respondent addressed the alleged violations and its position orally and in writing.

4. At all times during the investigation, Respondent was cooperative and responsive. No Utah consumers were adversely affected by the actions of Respondent. An agreement on an administrative forfeiture has been reached.

5. Respondent has agreed to an administrative forfeiture in the total amount of \$73,000.00 for issuing title insurance directly to consumers through FATICO's division, First American Mortgage Services, and for using unfiled escrow charges during the time period of January 2009 through December 2010.

Based upon the foregoing Stipulation and Findings of Fact, the following conclusions of law are entered:

#### **CONCLUSIONS OF LAW**

1. A former, applicable Utah Code § 31A-14-211 placed restrictions on foreign title insurers. During calendar years 2009 and 2010, in violation of Section 31A-14-211, in effect at

the time, Respondent issued 19 title insurance policies direct to consumers without using any of its resident agents or through any of FATICO's direct operations in Utah.

2. Utah Code § 31A-19a-209 requires a title insurer to file escrow charges with the Commissioner prior to conducting a real estate closing. Respondent failed to file a schedule of escrow charges prior to calendar years 2009 and 2010.

3. An administrative forfeiture in the amount of \$73,000 is appropriate in this matter.

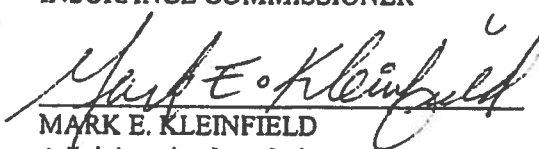
#### RECOMMENDED ORDER

IT IS RECOMMENDED THAT THE TITLE AND ESCROW COMMISSION APPROVE AND ADOPT THE FOLLOWING ORDER, WITH PENALTY:

Based on the Stipulation, Findings of Fact and Conclusions of Law, Respondent First American Title Insurance Company shall be assessed an administrative forfeiture in the amount of \$73,000 to be paid to the Department within thirty (30) days of the date of the Commission's Order.

DATED this 14<sup>th</sup> day of April, 2014.

TODD E. KISER  
INSURANCE COMMISSIONER

  
MARK E. KLEINFELD  
Administrative Law Judge  
Utah Insurance Department

**ADOPTION OF RECOMMENDED ORDER, WITH PENALTY**

By a Vote of \_\_\_\_\_ to \_\_\_\_\_, taken in open meeting on this date, the Utah Title and Escrow Commission hereby adopts the recommended order of the presiding officer and imposes the recommended penalty.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
KIRK D. SMITH, Chairman  
Title and Escrow Commission

**NOTIFICATION TO RESPONDENT**

You are hereby notified that a failure to obey an Order of the Commissioner may subject you to further penalties, including forfeitures of up to \$5,000 per violation and the suspension of revocation of your license and the filing of an action in District Court, which may impose forfeitures of up to \$10,000 per day for continued violation.

You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.

**RECEIVED**

**APR 18 2014**

**UTAH STATE  
INSURANCE DEPT**

KIMBERLY L. STEVENS, ESQ.  
3133 East 4650 North  
Liberty, UT 84310  
(801) 675-6599  
[attystevens@gmail.com](mailto:attystevens@gmail.com)

April 14, 2014

Title and Escrow Commission  
Utah Insurance Department  
State Office Building Suite 3110 / Capitol Hill Complex  
450 N State Street  
Salt Lake City, UT 84114

RE: Attorney Request For Exemption  
Resident Producer Individual License No. 480623

Dear Commissioner:

I am writing to request an exemption pursuant to Utah Code Ann. §31A-23a-204(1)(c) in order to obtain an agency title insurance producer license. Specifically, I am requesting exemption from the licensing time period requirements of Utah Code Ann. §31A-23a-204(1)(a)(i).

As a basis for this request, my real estate experience is as follows: from 2006 through 2010, I practiced law in Massachusetts. In that state, title companies do not conduct closings, only attorneys do this. As an attorney, and agent for multiple title insurance companies, I performed hundreds of closings. The work that I personally performed on the closings varied from case to case, but included: negotiating Real Estate Purchase and Sale Agreements; searching titles; working with realtors, mortgage brokers, lenders, surveyors, insurance companies, HOAs, municipal tax departments and others to gather the information necessary for closing; drafting the deeds, settlement statements, and other closing documents; conducting closings; and following up with lenders after the closing. In Massachusetts, I also worked for a municipality from 2004 through 2008 as Law Clerk and then Associate Town Solicitor, in which capacities I constantly worked on real estate issues such as researching laws related to zoning and planning; representing the town in court for enforcement of zoning and building violations; communicating with various departments on joint projects such as the building of several parks and a community center.

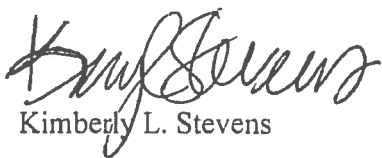
After being admitted to practice law and moving to the State of Utah in 2010, I remained very involved with real estate issues. I have attended closings at the request of clients; reviewed Real Estate Purchase Contracts and loan closing documentation; searched and reviewed titles; drafted legal descriptions based on surveys; drafted numerous Quit Claim

Deeds, Deeds of Trust, CC&Rs and other documents; advised clients regarding boundary disputes; conducted non-judicial foreclosures and represented clients in litigation involving mechanics' liens, rights-of-way, sales contracts, eviction proceedings, ownership disputes in probate proceedings, easement disputes and boundary disputes.

As you can see from the above explanation, I have participated in many aspects of real estate in both Massachusetts and Utah for the past 10 years. Although I have only recently received my Resident Producer Individual Title license, I have performed many title searches and conducted many closings throughout the years as well as negotiating and litigating many real estate issues. Based on my experience, I believe that I qualify for exemption from the licensing time period requirements of Utah Code Ann. §31A-23a-204(1)(a)(i).

Thank you for your time and attention to this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Kimberly Stevens", written in a cursive style.

Kimberly L. Stevens



**R592. Insurance, Title and Escrow Commission.**

**R592-2. Title Insurance Administrative Hearings and Penalty Imposition.**

**R592-2-1. Authority.**

This rule is promulgated pursuant to Subsections 31A-2-404(2)(e), (g), ~~[and] (h)~~, and (6) to provide the process for conducting or delegating an administrative hearing in a title ~~[administrative hearing]~~ insurance matter and imposing a penalty for a violation of statute or rule.

**R592-2-2. Purpose and Scope.**

- (1) The purposes of this rule are:
  - (a) to establish procedures for the ~~[e]~~Commission:
  - (i) to delegate to the commissioner's administrative law judge the conduct of an administrative hearing to resolve a title insurance matter; or
  - (ii) to conduct an administrative hearing to resolve a title insurance matter; and
  - (b) to establish procedures for the ~~[e]~~Commission,
    - (i) to impose penalties; and
    - (ii) for the commissioner to concur with the penalties imposed.
- (2) This rule applies to all title licensees, applicants for a title insurance license, unlicensed persons doing the business of title insurance, and continuing education providers submitting title continuing education programs for approval.

**R592-2-3. Definitions.**

For purposes of this rule, the ~~[e]~~Commission adopts the definitions set forth in ~~[Utah Code Annotated (U.C.A.)]~~ Title 31A and the following:

- (1) "Commission" means the Title and Escrow Commission.
- (2) "Commissioner" means the Utah ~~[-s]~~ insurance commissioner.
- (3) "Title insurance matter" means a matter related to:
  - (a) title insurance; and
  - (b) an escrow conducted by an individual title insurance producer.

**R592-2-4. Title Insurance Matters Referred for Enforcement.**

- (1) A title insurance matter referred for enforcement will be resolved by:
  - ~~([i])~~ a an informal adjudicative ~~[action]~~ proceeding pursuant to R592-2-5; or
  - ~~[(ii)]~~ ~~a stipulation and order issued by the commissioner; or]~~
  - ~~[(iii)]~~ b ~~[an administrative hearing]~~ a formal adjudicative proceeding conducted either by the ~~[e]~~Commission or the commissioner's administrative law judge pursuant to R592-2-6.

**R592-2-5. Imposition of a Penalty When an Informal Adjudicative Proceeding Is Used to Resolve a Title Insurance Matter.**

- (1) If the commissioner uses an informal adjudicative proceeding as set forth in 63G-4-203 and R590-160 to resolve a violation listed in Table 1 below, the commissioner shall use the penalties imposed by the ~~[e]~~Commission in this Section.

- (2) The ~~[e]~~Commission shall impose the following penalties on

title licensees for the violations listed in Table 1 below when resolved through an informal adjudicative proceeding.

Table 1

Violation	1st Proceeding	2nd Proceeding
<del>[Failure to complete required continuing education hours.]</del>	<del>Individual: \$1,000; Agency: n/a</del>	<del>Individual: \$2,000; Agency: n/a</del>
Failure to respond to an inquiry of the commissioner.	Individual: \$500; Agency: \$750	Individual: \$1,000; Agency: \$1,500
Failure to file a required rate, form, or report.	Individual: n/a Agency: \$1,000	Individual: n/a; Agency: \$2,000
Late filing of a required rate, form, or report.	Individual: n/a; Agency: \$750	Individual: n/a; Agency: \$1,500
<del>[Failure to charge or</del>	<del>Individual: \$1,000;</del>	<del>Individual: \$2,000;]</del>
Failure to charge or collect a correct premium or a correct filed fee.	Individual: \$1,250; Agency: \$2,500	Individual: \$2,500; Agency: \$5,000
<u>Failure to provide a current email.</u>	<u>Individual: \$100</u> <u>Agency: \$250</u>	
Charging or collecting a non-filed required fee.	Individual: \$1,000; Agency: \$2,500	Individual: \$2,000; Agency: \$5,000
<del>[Failure to pay assessment when due.</del>	<del>Individual: \$500; Agency: \$750</del>	<del>Individual: \$1,000; Agency: \$1,500]</del>
Failure to pay Assessment when due.	Individual: \$1,000; Agency: \$1,500	Individual: \$2,000; Agency: \$3,000
<u>Conducting title insurance business on a license that has lapsed for 30 days or less.</u>	<u>Individual: \$250</u> <u>Agency: \$1,500</u>	

(3) If an informal adjudicative proceeding in a title insurance matter is proposed to be resolved through settlement and negotiation, prior to entering into a stipulation and order, the commissioner shall present to and discuss with the Commission a proposed resolution of the title insurance matter based on the following procedures:

(a) the commissioner shall provide the parties involved with a draft stipulation of facts, which may include aggravating and mitigating factors, and conclusions of law pertaining to the title insurance

matter with a recommended penalty;

(b) if the parties involved agree to the stipulation of facts and conclusions of law, the stipulation of facts and conclusions of law together with the commissioner's recommended penalty will be presented to the Commission for the imposition of the penalty, which penalty will be imposed if the Commission concurs with the recommended penalty;

(c) if the Commission does not concur with the commissioner's recommended penalty, the Commission will provide the commissioner a recommended penalty, which penalty will be imposed upon the concurrence of the commissioner;

(d) a party involved in an informal hearing may at any time request that the title insurance matter be resolved by a Formal Adjudicative Proceeding pursuant to R592-2-6.

**R592-2-6. Use of ~~[an Administrative Hearing]~~ a Formal Adjudicative Proceeding to Resolve a Title Insurance Matter.**

(1) ~~[When the commissioner sets a date for an administrative hearing to resolve a title insurance matter,]~~ Before the commissioner sets a date for a hearing, the commissioner shall inform the [e]Commission of the title insurance matter and the request for a hearing ~~[-date]~~.

(2) After being informed of [a]the request for a hearing ~~[-date]~~, the [e]Commission shall, in accordance with Section 31A-2-404 (2) (e), either:

(a) delegate the conduct of the ~~[administrative-]~~hearing to the commissioner's administrative law judge; ~~[-or]~~

(b) conduct the ~~[administrative-]~~hearing ~~[-]~~; or

(c) unless requested by a party that the Commission conduct the hearing, any title insurance matter that has been presented to the Commission per R592-2-5(3) shall be delegated to the commissioner's administrative law judge.

(3) ~~[For an administrative]~~In hearing a formal adjudicative proceeding conducted by the [e]Commission, the [e]Commission shall:

(a) ~~[accept]~~set the date, time and place ~~[set by the commissioner or set a different date, time, and place-]~~for the ~~[administrative]~~hearing;

(b) cause notification to be sent to the respondent(s), the commissioner's administrative law judge, and the commissioner's enforcement attorney of the date, time, and place of the ~~[administrative-]~~hearing;

(c) conduct the hearing pursuant to 63G-4-206 and R590-160;

(d) impose penalties in accordance with Sections 31A-2-308, 31A-2-404, 31A-23a-111, 31A-23a-112, 31A-26-213, and 31A-26-214, subject to the concurrence of the commissioner; and

(e) issue an Order ~~[-on Hearing]~~.

(4) The commissioner's administrative law judge shall assist the [e]Commission in its conduct of ~~[an administrative]~~a hearing.

**R592-2-7. Imposition of Penalties.**

The [e]Commission shall impose a penalty as follows:

(1) ~~[f]~~For an informal adjudicative proceeding pursuant to R592-2-5(1), a penalty shall be imposed in accordance with Table 1 in R592-2-5(2). ~~[+]~~

(2) For a stipulation and order pursuant to R592-2-5(3), the

Commission shall impose a penalty subject to the concurrence of the commissioner.

(3) ~~[f] For [an administrative] a hearing on a formal adjudicative proceeding~~ conducted by the commissioner's administrative law judge ~~[pursuant to R592-2-6 (2)(a)]~~, the [e]Commission shall impose the recommended penalty or a different penalty, subject to the concurrence of the commissioner; or

(4) ~~[f] For [an administrative] a hearing on a formal adjudicative proceeding~~ conducted by the [e]Commission, the [e]Commission shall impose a penalty, subject to the concurrence of the commissioner.

**R592-2-8. Severability.**

If any provision or clause of this rule or its application to any person or situation is held invalid, that invalidity shall not affect any other provision or application of this rule which can be given effect without the invalid provision or application, and to this end the provisions of this rule are declared to be severable.

**R592-2-9. Enforcement Date.**

The commissioner will begin enforcing this rule upon the rule's effective date.

**KEY: title insurance**

**Date of Enactment or Last Substantive Amendment: ~~[May 1, 2013]~~ 2014**

**Notice of Continuation: September 15, 2010**

**Authorizing, and Implemented or Interpreted Law: 31A-2-402**

## **R592. Insurance, Title and Escrow Commission.**

### **Rule R592-XX. Prohibited Escrow Settlement Closing Transactions.**

#### **Table of Contents**

R592-XX-1. Authority.

R592-XX-2. Purpose and Scope.

R592-XX-3. Definitions.

R592-XX-4. Unfair Methods of Competition, Acts and Practices.

R592-XX-5. Permitted Advertising, Business Entertainment, and Methods of Competition.

R592-XX-6. Enforcement Date.

R592-XX-7. Severability.

KEY

Date of Enactment or Last Substantive Amendment

Authorizing, Implemented, or Interpreted Law

#### **R592-XX-1. Authority.**

This rule is promulgated pursuant to Section 31A-2-404(2), which authorizes the Title and Escrow Commission (Commission) to make rules for the administration of the Insurance Code related to title insurance, including rules related to standards of conduct for a title insurer, agency title insurance producer or individual title insurance producer.

#### **R592-XX-2. Purpose and Scope.**

(1) The purpose of this rule is to identify certain escrow practices involving two or more back to back sales/purchases of the same parcel of real property, which the Commission finds may ~~often involve fraud or~~ violate the Insurance Code or rules, and therefore it is necessary identify and prohibit such conduct.

(2) These practices include sales/purchases of the same parcel of real property where funds from the final purchaser are received by the initial seller despite having no contractual privity and those where no statutory authority exists for the title insurer, agency title insurance producer or individual title insurance producer to conduct one or more of such escrows under Section 31A-23a-406 and R592-6-4(5).

(3) This rule applies to all title insurers, agency title insurance producers, individual title insurance producers and all employees, representatives and any other party working for or on behalf of said entities whether as a full time or part time employee or as an independent contractor.

#### **R592-XX-3. Definitions.**

For the purpose of this rule the Commission adopts the definitions as set forth in Section 31A-1-301 and the following:

(1) "Land flip" means two or more escrows ~~for the sale/purchase of~~ involving real property ~~that involve substantially~~ where the following circumstances exist:

(a) Buyer B contracts with Seller "A" to buy ~~contracts with Buyer "B" to sell~~ a parcel of real property;

(b) Buyer "B" then contracts with Buyer "C" to sell the same parcel of real property; and

(c) Buyer "B" anticipates ~~acquiring~~ buying and selling the same parcel ~~and selling~~ at or near ~~the parcel at or near~~ the same time to Buyer C.

#### **R592-XX-4. Permitted Escrows of Flip Transactions.**

Title insurers, agency title insurance producers, individual title insurance producers are permitted to conduct escrows involving a land flip, if each real estate transaction stands on its own and the following circumstances exist:

~~{(1) The transaction between Seller "A" and Buyer "B" close independently from the transaction between Buyer "B" and Buyer "C";}~~

~~{(2)}~~ (1) The funds deposited by Buyer "C" may not be used to fund the closing between Seller "A" and Buyer "B." Buyer "B" must provide funds independent of the funds generated from the closing of Buyer B ~~[by]~~ with Buyer "C";

~~[(3) One or more policies of title insurance required under Section 31A-23a-406(e) are issued in the transaction between Seller "A" and Buyer "B", and one or more policies of title insurance required under Section 31A-23a-406(e) are issued in the transaction between Buyer "B" and Buyer "C";]~~

~~[(4)](2)~~ Buyer "B" must close with Buyer "B's" own good funds and record, so that Buyer "B" is in title prior to the second transaction closing and recording.

The above structure insures compliance with 31A Section 31A-23a-406 and R592-6-4. ~~[(See Illustration 1).]~~

#### **R592-XX-5. Prohibited Escrows of Flip Transactions.**

Except as allowed under R592-XX-4, title insurers, agency title insurance producers, individual title insurance producers are prohibited from conducting any escrows involving a land flip. ~~[(See Illustration 2).]~~

#### **R592-XX-6. Enforcement Date.**

The commissioner will begin enforcing the provisions of this rule 45 days from the effective date of the rule.

#### **R592-XX-7. Severability.**

If any provision or clause of this rule or its application to any person or situation is held invalid, such invalidity may not affect any other provision or application of this rule which can be given effect without the invalid provision or application, and to this end the provisions of this rule are declared to be severable.

#### **KEY**

title insurance

#### **Date of Enactment or Last Substantive Amendment**

#### **Authorizing, Implemented, or Interpreted Law**

31A-2-404

**SIMULTANEOUS CLOSING ADDENDUM  
TO  
REAL ESTATE PURCHASE CONTRACT  
(Buyer #1 DOES NOT Own the Property)**



THIS IS AN [ ] ADDENDUM [ ] COUNTEROFFER to that REAL ESTATE PURCHASE CONTRACT (the "2<sup>nd</sup> REPC") with an Offer Reference Date of \_\_\_\_\_, including all prior addenda and counteroffers, between \_\_\_\_\_, as Seller, and \_\_\_\_\_, as Buyer, regarding the Property located at: \_\_\_\_\_ (the "Property"). The following terms are hereby incorporated as part of the 2<sup>nd</sup> REPC:

**1. ADDITIONAL SELLER DISCLOSURES.** The above-referenced Seller (referred to below as Buyer #1) makes the following disclosures to the above-referenced Buyer (referred to below as Buyer #2):

**1.1 Buyer #1 DOES NOT Own the Property.** Buyer #1 advises Buyer #2 that Buyer #1 DOES NOT own the Property. Although Buyer #1 DOES NOT own the Property, Buyer #1 represents that Buyer #1 has entered into a separate Real Estate Purchase Contract (the 1<sup>st</sup> REPC) to purchase the Property from the current owner/developer of the Property (the "Owner/Developer"). Buyer #1 agrees to provide to Buyer #2 a copy of the 1<sup>st</sup> REPC as provided in Section 1.2(b) below.

**1.2 Delivery of Additional Disclosure Documents.** No later than the Seller Disclosure Deadline referenced in Section 24(a) of the 2<sup>nd</sup> REPC, Buyer #1 shall provide to Buyer #2 the following additional "Seller Disclosures": (a) a copy of all documents that have previously been provided to Buyer #1 as "Seller Disclosures" under Section 7 of the 1<sup>st</sup> REPC; (b) a copy of the 1<sup>st</sup> REPC (including all counteroffers, addenda and exhibits); (c) a copy of the Plans & Specifications for the Property (if this is new construction and construction has not started or is in progress); (d) a copy of all Change Orders, if any; (e) copies of any inspection reports, surveys, and studies regarding the Property that are in Buyer #1's possession; and (f) copies of all correspondence between Buyer #1 and the Owner/Developer relating to the Property.

**2. SETTLEMENT DEADLINE.** No later than three (3) days after Buyer #1 receives from the Owner/Developer written notice to close the transaction with the Owner/Developer ("Notice to Close"), Buyer #1 shall provide to Buyer #2 a copy of the Notice to Close. Except as provided in this Section 2 below, Buyer #2 agrees that the Settlement Deadline in the 2<sup>nd</sup> REPC shall be the later of the following dates: (a) the closing date required in the Notice to Close, or (b) fifteen (15) days after Buyer #2's receipt of the Notice to Close. In the event the closing of the transaction between Buyer #1 and the Owner/Developer is extended based on mutual written agreement of Buyer #1 and Buyer #2 as provided in Section 5.1 below, Buyer #1 and Buyer #2 agree that the Settlement Deadline referenced above, shall be extended to correspond with any extensions agreed to under the terms of the 1<sup>st</sup> REPC.

**3. REPRESENTATIONS & WARRANTIES.**

**3.1 Subject to Acquiring the Property.** Buyer #2 acknowledges that Buyer #1's obligations under the 2<sup>nd</sup> REPC are conditioned upon Buyer #1 and the Owner/Developer completing the purchase and sale of the Property as required under the terms of the 1<sup>st</sup> REPC. Buyer #1 acknowledges and agrees that Buyer #1 may not use any funds from the proposed transaction with Buyer #2 to fund the Closing between Buyer #1 and the Owner/Developer. Buyer #2 acknowledges and agrees that Buyer #1 makes no representations or warranties regarding the willingness or ability of the Owner/Developer to meet the Owner/Developer's obligations under the 1<sup>st</sup> REPC. The failure of the Owner/Developer to perform under the 1<sup>st</sup> REPC shall not give to Buyer #2 any rights against Buyer #1 for breach of contract, damages, or any other legal or equitable claims. Buyer #2's sole remedy for the Owner/Developer's failure to perform shall be to receive a refund of the Earnest Money Deposit.

**3.2 Title to the Property.** Subject to the terms of Section 3.1 above, Buyer #1 agrees to convey good and marketable title to Buyer #2 at Closing. Buyer #2 agrees to be responsible for: (a) any transfer fees due as a result of completion of this transaction; (b) property taxes, assessments, and homeowner's association dues levied against the Property from and after the date of Closing; and (c) utility and other services provided to the Property from and after the date of Closing.

**3.3 No Warranties Regarding Physical Condition of Property.** Buyer #2 acknowledges and agrees that Buyer #1 makes no representations or warranties of any kind or nature regarding the physical condition of the Property. To the extent any warranties available to Buyer #1 under the terms of the 1<sup>st</sup> REPC are assignable, Buyer #1 agrees to assign such warranties to Buyer #2 at Closing.

**4. NON-ASSIGNABILITY.** The 2<sup>nd</sup> REPC may not be assigned by Buyer #2 without the prior written consent of Buyer #1, which consent Buyer #1 may withhold in Buyer #1's sole discretion.

**5. CHANGES DURING TRANSACTION & FURTHER CHANGE ORDERS.**

**5.1 No Changes Prior to Due Diligence Deadline.** Buyer #1 agrees that from the date of Acceptance of the 2<sup>nd</sup> REPC until expiration of the Due Diligence Deadline, no changes to the 1<sup>st</sup> REPC shall be made, and no changes to the Plans & Specifications ("Change Orders") shall be requested or agreed to by Buyer #1, without the prior written consent of Buyer #2.

**5.2 Changes After Due Diligence Deadline.** If Buyer #2 does not cancel the 2<sup>nd</sup> REPC as provided in Section 8 of the 2<sup>nd</sup> REPC, then Buyer #1 and Buyer #2 agree that after the Due Diligence Deadline: (a) any changes to the 1<sup>st</sup> REPC shall require the mutual written consent of Buyer #1 and Buyer #2; (b) Buyer #2 shall not communicate, or attempt to communicate, directly with the Owner/Developer or with any construction personnel associated with the Property; (c) all Change Orders of any kind requested by Buyer #2 shall be coordinated only through Buyer #1 (who shall be the exclusive point of contact with the Owner/Developer and/or all construction personnel); (d) all Change Orders must be mutually agreed to in writing by Buyer #1 and Buyer #2; (e) all Change Orders shall be paid for by Buyer #2 at the time the Owner/Developer and/or construction personnel agree in writing to the Change Order; and (f) all payments for Change Orders made by Buyer #2 shall be absolutely non-refundable to Buyer #2 for any reason.

**6. WALK-THROUGH INSPECTION.** Before Settlement, Buyer #2 (or Buyer #2's representative) may, upon reasonable notice to Buyer #1, join Buyer #1 in conducting a "walk-through" inspection of the Property as permitted under the terms of the 1<sup>st</sup> REPC. Buyer #1 and Buyer #2 agree to cooperate with each other in good faith in coordinating the walk-through inspection. Buyer #2 acknowledges that only Buyer #1 has the right to submit to the Owner/Developer a list of requested repairs, corrections or replacements for the Property ("Punchlist"). Buyer #1 and Buyer #2 agree to cooperatively work with each other to prepare the Punchlist. Except as otherwise agreed in writing, Buyer #2 agrees that Buyer #2 shall have no right to submit an independent Punchlist to the Owner/Developer; nor shall Buyer #1 be responsible to Buyer #2 for completion of the Punchlist. The failure of Buyer #2 to conduct a walk-through inspection with Buyer #1 (or Buyer #1's representative) shall constitute a waiver by Buyer #2 of the right to participate with Buyer #1 in creation of the Punchlist.

**7. AGREEMENT TO PAY BROKERAGE FEES.** The Brokerage Fees due as a result of the closing of the purchase of the Property between Buyer #1 and Buyer #2 shall be equal to: \$\_\_\_\_\_ or \_\_\_\_\_% of the Purchase Price. Change Orders ☐ Are ☐ Are Not, included in calculation of the Brokerage Fees. Buyer #1 shall be responsible for payment of the Brokerage Fees. The escrow/closing office is authorized and directed to pay the Brokerage Fees at completion of the Closing. Unless otherwise agreed in writing by the Broker for Buyer #1 and the Broker for Buyer #2, the Brokerage Fees shall be shared equally between the Brokers.

**TO THE EXTENT** any terms of this ADDENDUM modify or conflict with any provisions of the 2<sup>nd</sup> REPC, including all prior addenda and counteroffers, these terms shall control. All other terms of the 2<sup>nd</sup> REPC, including all prior addenda and counteroffers, not modified by this ADDENDUM shall remain the same. ☐ Seller ☐ Buyer shall have until ☐ AM ☐ PM Mountain Time on \_\_\_\_\_ (Date), to accept the terms of this ADDENDUM in accordance with the provisions of Section 23 of the 2<sup>nd</sup> REPC. Unless so accepted, the offer as set forth in this ADDENDUM shall lapse.

☐ Buyer ☐ Seller Signature (Date) (Time)

☐ Buyer ☐ Seller Signature (Date) (Time)

#### ACCEPTANCE/COUNTEROFFER/REJECTION

**CHECK ONE:**

☐ **ACCEPTANCE:** ☐ Seller ☐ Buyer hereby accepts the terms of this ADDENDUM.

☐ **COUNTEROFFER:** ☐ Seller ☐ Buyer presents as a counteroffer the terms of attached ADDENDUM NO. \_\_\_\_.

☐ **REJECTION:** ☐ Seller ☐ Buyer rejects the foregoing ADDENDUM.

(Signature) (Date) (Time)

(Signature) (Date) (Time)

(Signature) (Date) (Time)

(Signature) (Date) (Time)

This form is COPYRIGHTED by the UTAH ASSOCIATION OF REALTORS® for use solely by its members. Any unauthorized use, modification, copying or distribution without written consent is prohibited. NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION. IF YOU DESIRE SPECIFIC LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.